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ABSTRACT

A short fictional work for limited English speakers is presented that relates a young couple's experience in learning about managing their money more carefully by budgeting and maintaining a checking account. Since the couple did not have a checking account, they had to go to their savings bank in order to pay each bill and they had to keep cash on hand to pay for groceries. Losing a wallet with cash shortly after payday and spending too much on extras necessitated their opening a checking account and writing out a budget on bills in relation to income. Pictures illustrate the forms used at the banks for deposits and check writing. Details of the couple's budget are presented. (SW)

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Checking and Balancing

Banking and Budgeting

by

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U.S. DEPARTMENT OF HEALTH,
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SUMMARY: In an effort to manage their money more carefully, a young couple learn how to budget and maintain a checking account.

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This is a work of fiction. Any relationship between the people, places, products, and events in this book and real people, places, products, and events is coincidental.

CHAPTER 1



Rosa and Bob Rivera have been married for four years. Bob is a stock clerk in a department store. Rosa is a file clerk in a big office. They make enough money to live nicely. But sometimes they are not careful with their money. Then they don't have enough money to pay their bills on time.

Tonight Rosa can't go to the supermarket because Bob has the car. This Friday night Bob has to work late. He can't drive Rosa home from work in their car. Rosa has to take the bus home from work.

Rosa is glad when Bob gets home. Rosa knows that they have some money in the apartment. She wants to go out to dinner.



Rosa gets paid every Friday. Every Friday night she puts the cash from her paycheck into a special jar in the kitchen.

On most Friday nights, Rosa and Bob drive to the supermarket and buy food for the week. They use some of the cash from Rosa's paycheck. Rosa puts the rest of the cash in the special jar in the kitchen.

Tonight there's not much food in the refrigerator. Rosa tells Bob that she wants to go out for dinner.

Bob looks in his wallet. "I don't have much money," he says.

"That's OK," Rosa says. "I got paid today. We can take some money from the jar."

"Great," Bob says.

Bob doesn't have a lot of money in his wallet. He always puts his paycheck in their savings account at City Savings and Loan Association. A savings and loan association is a kind of bank. When Bob needs cash during the week, he takes it from the jar in the kitchen.

Bob and Rosa put on their coats. Then Bob remembers that he needs some cash. He goes back into the kitchen. He takes some cash from the jar.

Bob and Rosa leave their apartment. They get into their car and drive downtown.

"There is a new restaurant on 10th and Cedar," Rosa says. "Let's try it."





Bob and Rosa drive to the new restaurant. It looks like a nice place. They go inside and sit down at a table. The waiter comes and brings them menus. There are lots of good things to eat.

Bob and Rosa are very hungry. They eat a big dinner. The food is very good. They like this restaurant very much.

Later the waiter brings the bill. Bob looks at it. "Wow!" he says. "This is an expensive place!"

Rosa looks at the bill. "Did you add it up?" she asks Bob.

"Not yet," Bob says. He adds up the bill.

Bob asks the waiter for the menu. He wants to look at the prices again. The waiter brings the menu. Bob and Rosa look at the menu and the bill. The prices on the bill and on the menu are the same.

"The bill is right," Bob says.

"How did our dinner cost so much money?" Rosa asks.

"This restaurant doesn't have one price for the whole meal," Bob tells her. "We have to pay for all the different things. We had many different things. First we had soup. You had fish and I had steak. We both had a salad. Then I had that fancy cake. And we both had coffee. Each of these things has its own price on the menu. So our dinner cost a lot of money."

The waiter comes back to their table. Bob gives some money to the waiter. It is enough money for the bill and for a tip for the waiter.

On the way out of the restaurant, Rosa sees a menu in the window.

"Look!" Rosa says. "We should have looked at this menu before we went inside."

"Next time we'll be more careful in a restaurant," Bob says.

Bob and Rosa get into their car and drive home.
On the way home they talk about the restaurant.

"The food at that restaurant was great!" Bob says.

"Yes, it was a nice place," Rosa says. "But it is really too expensive for us."

"You're right," Bob says. "We won't go there again."

Rosa and Bob talk about money. They decide that they shouldn't spend so much money in one night.

Bob and Rosa get home. It is late so they go to sleep.

CHAPTER 2



During the next week Bob and Rosa don't have a lot of food in the house. They spent too much money for dinner at the new restaurant. They couldn't buy very much food at the supermarket. There wasn't a lot of cash in the jar this week.

The next Friday morning Rosa and Bob don't have any eggs for breakfast. They have coffee and dry toast. They are glad that Rosa will get her paycheck today. After work they can go shopping for food.

Bob and Rosa put on their coats. They go outside to their car. They are glad that they have a car. Before they had a car, they had to take the bus to work. It took a long time to get to work.

Two years ago Bob and Rosa bought a used car. They didn't have enough money in the bank to pay for it. They had to get a loan. Now they have to pay some money to the finance company every month. This money is called a car payment.

Every morning Bob drives Rosa to her job. Then he drives to his job.

Rosa works hard at her job all morning. At lunch time she gets her paycheck. She is glad to see her paycheck today. This was a hard week because the Riveras had so little cash. They spent too much money at that new restaurant last Friday night. By this morning there was almost no money left in the jar.

Rosa wants to get cash for her paycheck. She goes to the bookkeeper in her office. She signs her name on the back of her paycheck and gives it to the bookkeeper. Then the bookkeeper gives her the cash for her check.

Rosa goes out to lunch. She eats quickly. She is glad that she has some money now. After lunch Rosa looks in the window of a little store.

"This store has cute clothes," Rosa thinks. She looks at her watch. She doesn't have to go back to the office yet. She decides to go into the store.

Rosa looks at many things in the store. She sees a pretty blue sweater. She tries it on. It looks nice on her. Rosa thinks that she needs this sweater. She buys it. Then she goes back to work.



All morning Bob works hard at his job. This Friday is payday for Bob, too.

Bob gets his paycheck every two weeks. His paycheck is \$356.92. Bob always puts his paycheck in the Riveras' account at the savings and loan association. He always brings the passbook for their savings account with him on payday.

At lunchtime, Bob goes to City Savings and Loan Association. He wants to put his paycheck in their savings account.



First Bob takes a deposit slip from the table. He writes his name and the date on the deposit slip. Then Bob gets out his passbook. He has to write the number of their savings account on the deposit slip. The number on the passbook is the number of their savings account. Now the savings and loan association will know that Bob's paycheck should go into Bob and Rosa Rivera's savings account.

 City Savings & Loan Association Any Town, U.S.A.			SAVINGS DEPOSIT		
ACCOUNT NO. <u>26287</u>	DATE <u>Feb 24, 1979</u>		CASH	DOLLARS	CENTS
DEPOSIT TO THE CREDIT OF			CHECKS	356	92
NAME <u>Bob Rivera</u>					
ADDRESS <u>150 Tench St., Apt. 3B</u>					
CITY <u>Any Town</u> STATE <u>U.S.A.</u> ZIP <u>00000</u>					
			TOTAL	356	92
			CASH RETURNED		
			TOTAL DEPOSIT	356	92
F 100 A (1/77) PLEASE CHECK IF ADDRESS HAS CHANGED ☐					

Bob does not write anything next to "CASH" on the deposit slip. He is not putting any cash in their savings account. He is putting his paycheck into their savings account. Bob writes "356.92" next to "CHECKS" on the deposit slip because his paycheck is for \$356.92.

If Bob wanted to put two checks in their savings account, he would write the amount of the other check on the next line. He would add the checks together. Then he would write this amount next to "TOTAL" on the deposit slip.

Today Bob writes "356.92" next to "TOTAL." He writes "356.92" again, next to "TOTAL DEPOSIT."

 City Savings & Loan Association Any Town, U.S.A.	WITHDRAWAL ORDER
	PASSBOOK MUST ACCOMPANY ALL WITHDRAWALS
	ACCOUNT NUMBER <u>26287</u>
DATE <u>Feb. 24, 1979</u>	WITHDRAWAL IN THE AMOUNT OF \$ <u>12.42</u>
MAKE CHECK PAYABLE TO <u>Midwest Telephone Company</u>	
SIGNATURE <u>Bob Rivera</u>	☐ CASH
(Signature as shown on Passbook or Certificate)	
ADDRESS <u>150 Tenth Street - Apt 3B</u>	☒ CHECK
CITY <u>Any Town</u> STATE <u>U.S.A</u> ZIP <u>00000</u>	CHECK NUMBER <u>52064</u>
F-10BA (Rev. 2-78)	PLEASE CHECK IF ADDRESS HAS CHANGED ☐

Then Bob takes out a withdrawal slip. He wants to take some money out of their savings account. He will pay the telephone bill with this money. The savings and loan association will give Bob a bank check for the telephone company. Bank checks don't cost Bob any money.

Bob used to buy money orders to pay their bills. Bob had to pay 50¢ for each money order. Then Bob's friend told him that savings and loan associations can write bank checks for their customers. Now Bob doesn't have to pay any extra money to pay their bills.

Bob writes their account number and the date on the withdrawal slip. He looks at the telephone bill. He has to pay \$12.42 to the telephone company this month. Bob writes that amount of money on the withdrawal slip. Then Bob signs his name. He also signs his name on the back of his paycheck.

Bob starts to go to see a teller. Then he remembers that he has to do something else. Bob writes the name of the telephone company on the withdrawal slip because he wants a check for the telephone company. This withdrawal slip shows that Bob wants to take \$12.42 out of the Riveras' savings account. It also says that Bob wants a check for the telephone company.

Bob gets in line to see a teller. Soon it is his turn. He gives the teller his paycheck, his passbook, his deposit slip and his withdrawal slip.



The teller knows Bob. He smiles and says hello. Then the teller looks at Bob's paycheck and his deposit slip. He sees Bob's signature on the back of his paycheck. Bob is putting his own paycheck into the Riveras' savings account.

The teller looks at the amount of the paycheck. Then he looks at the deposit slip. The amount is the same on both—\$356.92. City Savings and Loan Association will put \$356.92 into the Riveras' savings account.

Next the teller puts Bob's passbook into a big machine. He pushes the right buttons on the machine. The machine adds \$356.92 to the money in the Riveras' savings account.

Then the teller looks at the withdrawal slip. Bob wants to take \$12.42 out of their savings account. The teller pushes the right buttons on the machine. The machine subtracts \$12.42 from the money in the Riveras' savings account.

The teller knows that Bob wants a check for \$12.42 for the telephone company. Bob's withdrawal slip says "MAKE CHECK PAYABLE TO MIDWEST TELEPHONE COMPANY." The teller writes a check for \$12.42 to Midwest Telephone Company. He gives Bob this check and his passbook.

Bob looks at the check. It is right. Then Bob looks at his passbook. It says that Bob made a deposit of \$356.92 and a withdrawal of \$12.42 on this date. The passbook shows how much money is in the Riveras' savings account. This amount is called the balance.



City Savings & Loan Association
Any Town, U.S.A.

CHECK **No. 52064**

DATE 2/24/79

PAY

REF 8781932
R 3-78-3-80 **I 2 DOLS 42 CTS**

22-19
880

\$ 12.42

TO Midwest Telephone Company
THE 34 Smith Boulevard
ORDER Any Town, U. S. A. 00000

AUTHORIZED SIGNATURE

OR Bob Rivera - 3B
150 Tenth Street, USA.
Any Town, 324-2674

BY John R. Davis

0960-0010: 20-06-940P

Bob looks at the bank check. It says "PAY TO THE ORDER OF MIDWEST TELEPHONE COMPANY." Now only the telephone company can get cash for this check. No one else can get cash for this check.

Bob writes his name, address and telephone number on the front of the bank check. He wants the telephone company to know that the check is from him.

Then Bob puts the bank check in an envelope. He also puts the card from the telephone bill in the envelope. The outside of the envelope has the telephone company's name and address on it. On his way back to work, Bob puts a stamp on the envelope and mails it.

After work, Rosa and Bob drive home. They have to go home so they can make a shopping list. Last night they both forgot to make the shopping list for their food. They always make a list before they go to the supermarket.

Rosa and Bob go into the kitchen to make the shopping list. Rosa looks in the refrigerator and in the cabinets. She wants to buy enough food for the whole week.

Then Bob and Rosa drive to the supermarket. They buy enough food for the week. But they are very careful. They look for specials. They don't want to spend too much money.





When Eob and Rosa get home, they start to cook dinner. Soon dinner is ready. Rosa and Bob sit down at the table and eat. They talk about their jobs. Then they talk about their dinner last Friday night. It was fun to eat such good food at a nice restaurant. But it was expensive.

This Friday night they have a nice dinner at home. It tastes very good. It is a lot cheaper to eat at home.

At dinner Bob tells Rosa that he sent a bank check to the telephone company today. Rosa tells Bob that she bought a new sweater.

After dinner, Rosa shows Bob her new sweater. Bob thinks that it is pretty. But he is upset.

"Please don't buy extra things," Bob says to Rosa.

"I know we shouldn't do that," Rosa says. "But sometimes I forget."

"Yes, sometimes I forget, too," Bob says. "It's easy to spend money. But we should try to save more money."

Rosa thinks that Bob is right. She tells him that she won't buy any more extra things. She will try to save more money.

Bob and Rosa go into the kitchen and wash the dishes.



CHAPTER 3



The next Friday night, Rosa and Bob don't go to the supermarket. They are going to their friends' house for dinner. On the way Bob wants to stop at the landlord's house. He wants to pay the rent.

When Bob and Rosa pay the rent, Bob takes \$300.00 out of their savings account. He puts this money in his wallet and takes it home. He is lucky. He has never lost the rent money.

At the landlord's house, Bob rings the bell. The landlord comes to the door. Bob gives him the rent money. The landlord counts the money and thanks Bob. He gives Bob a receipt. This paper shows that Bob and Rosa paid the rent for this month.



Bob and Rosa have a good time with their friends, Jerry and Ann Green. A little while after dinner, Bob and Rosa go home. When they get home, Rosa wants to put the cash from her paycheck into the jar. She looks for her wallet in her pocketbook. She can't find her wallet. She takes everything out of her pocketbook. The wallet is not there.

Rosa runs to the car. She looks inside the car. She looks around the car. She can't find her wallet. She is very upset. All of the cash from her paycheck was in her wallet. Rosa goes back inside the apartment. She doesn't know what to do.

Rosa goes into the kitchen and makes some coffee. Bob comes into the kitchen. He sees that Rosa is upset.

"What's the matter?" he asks.

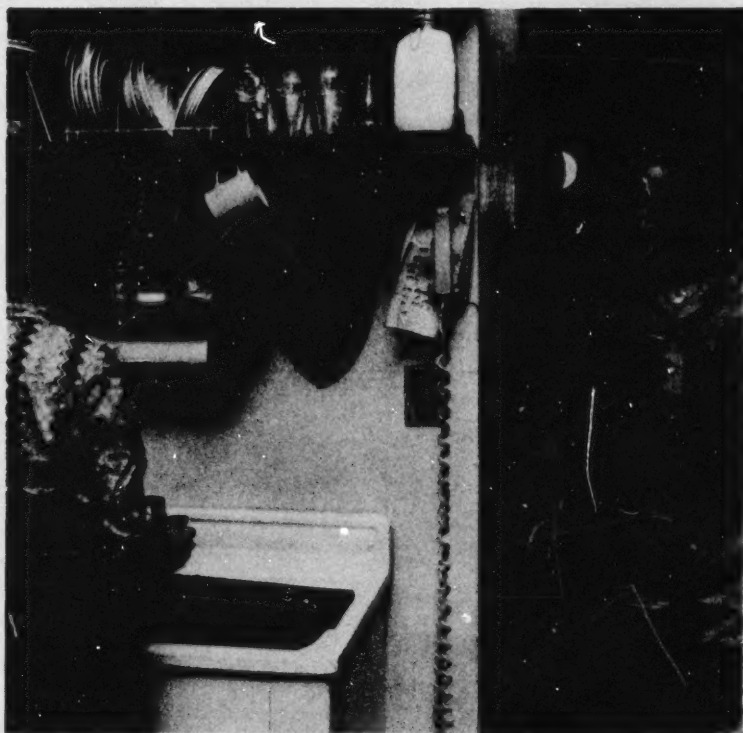
"I lost my wallet," Rosa says. "I had all of the cash from my paycheck in it."

"Oh, no!" Bob says. "Maybe it's in the car. I'll go look."

"I already looked there," Rosa tells him.

"OK, OK," Bob says. "Don't worry."

Bob is upset too. But he wants to make Rosa feel better.





"We'll be OK," Bob tells Rosa. "Maybe we'll find your wallet."

"I'll call Ann," Rosa says.

Rosa calls Ann. She tells Ann that they had a good time at her house. Then Rosa tells Ann that she may have lost her wallet at the Greens' house. Ann says that she will look for Rosa's wallet and call them back.

Bob wants to make Rosa feel better. He thinks that they can take some money out of their savings account for this week. He gets out their passbook from the bedroom.

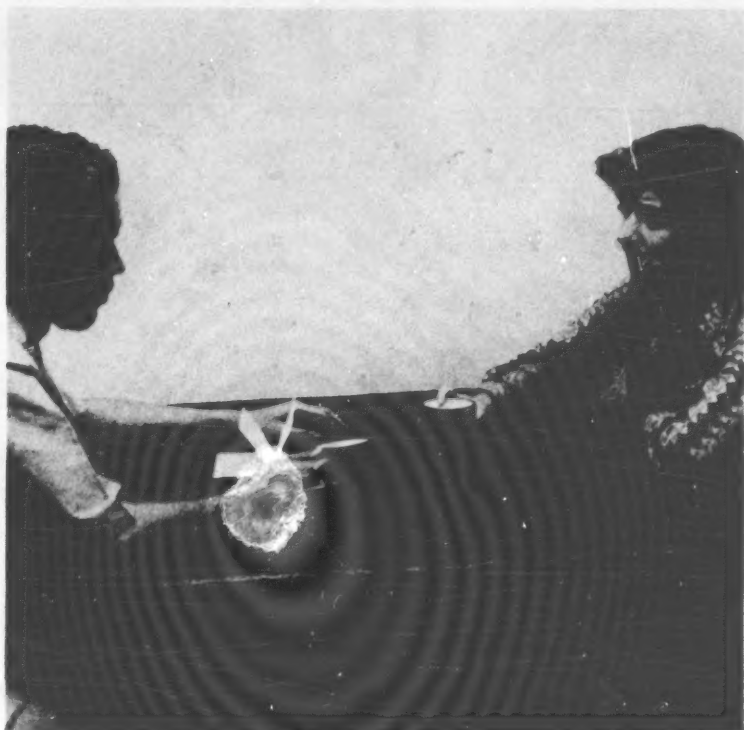
Rosa and Bob sit down at the table and drink their coffee. Bob shows the passbook to Rosa.

"See?" he says. "We can take some money out of our savings account on Monday. We'll have enough cash for the week."

"I guess so," Rosa says. "But I still feel bad."

Then Ann calls. She tells Rosa that she can't find Rosa's wallet in her house. Bob and Rosa decide that Rosa must have lost the wallet during her lunch hour. They don't think that she will ever find it.

Rosa is very upset. She wishes that she had been more careful with her wallet.



The next day Rosa and Bob can't go to the supermarket. They don't have enough cash. Bob will have to go to the savings and loan association on Monday. He will get enough cash for food for the week.

That afternoon Bob and Rosa sit and talk about their money. Sometimes Bob and Rosa carry around a lot of cash. They could lose it, like Rosa did. Rosa decides that she does not want to carry so much cash with her. Bob thinks that he could lose the cash for the rent. Then they would be in a lot of trouble.



Bob and Rosa talk about a checking account. If they had a checking account, they wouldn't have to carry so much cash with them. They could pay all of their bills by check. It would be easier to pay their bills this way. Bob wouldn't have to go to the savings and loan association so often. If they had a checking account, they could go to the supermarket today. They could buy the food for this week and pay for it with a check.

Rosa and Bob talk about banks with checking accounts.

"We don't know what bank would be best for us," Bob says. "Not all banks have checking accounts. And not all checking accounts are the same."

"Yes, but we can find a good bank for us," Rosa says. "I'll find out about the checking accounts at each bank. Then we can pick the best bank for us."

"OK," Bob says. "And I think that you should take care of the checking account. You're better with numbers than I am."

"OK," Rosa says. "We'll do it that way."



Rosa and Bob decide that they are also going to make a budget for themselves. A budget will help them to take better care of their money. Rosa gets out some paper and pencils.

Bob remembers that his friend gave him a booklet from the credit union. This booklet tells people how to make a budget. Bob gets this booklet from the bedroom. Then he and Rosa sit down at the table. They read the booklet. Now they are ready to make their own budget.

First they think about how much money they make every month. Rosa makes \$171 each week. But her company has to take some money out of her paycheck. This money is for taxes and Social Security. Rosa's paycheck is only \$132.72. Rosa takes home \$530.88 every four weeks.

Bob gets two paychecks every month. He makes \$496 every two weeks. But each paycheck is only for \$356.92. His company has to take out money for taxes and Social Security too. His company also takes out money for health insurance for Bob and Rosa. Bob gets \$713.84 every four weeks.

Bob adds up the money from their paychecks. Together, they get \$1,244.72 every four weeks.

Bob looks at the credit union booklet again. He sees a budget list. This list tells what most people spend money for each month. This list can help Rosa and Bob. They read the list. They think about how they spend their money.

First Rosa and Bob think about their bills. They have to pay some bills every month. Each month they have to pay their rent, their telephone bill, their utility bill and their car loan. Bob and Rosa also bought a TV on credit. Now they have to pay some money for their TV every month.

Rosa writes down the money for all these bills. She adds them up. They have to pay about \$465 for these bills every month.

Rosa and Bob have to buy some things every day or every week. They spend about \$50 on food at the supermarket each week. They spend about \$4 for laundry and dry cleaning. Bob and Rosa buy their lunches every workday. Together they spend about \$25 a week for these lunches. They drive to work every day. Gas and oil for the car cost about \$20 a week. Rosa writes down all these amounts. They add up to about \$99 a week, or about \$400 each month.

Bob and Rosa spend money on other things every month. They buy things at the drug store. Sometimes they like to go out to dinner or to a movie. They spend a little money for newspapers and magazines. They have to buy things to take care of their apartment. Bob and Rosa think about each of these things. Rosa thinks that these things cost about \$125 each month.

Then Bob and Rosa talk about clothes. Some months they spend a lot of money on clothes. Other months they don't buy any clothes. They decide that they spend about \$50 on clothes each month.

Then Bob and Rosa think about their car insurance. Every six months they have to pay \$120 for their car insurance. They have to make sure that they save \$20 every month. They have to have \$120 in the bank when the bill comes from the car insurance company.



Bob and Rosa think and think. Then they remember that they have to spend money on other things. Sometimes they will have to pay a doctor or dentist. They may need money for car repairs.

Bob and Rosa think that they should save some money for these things each month.

"We should save money for some other things too," Bob says. "We want to make this apartment look nicer. Maybe we could get some new furniture. Let's try to save \$125 every month for new things for our apartment."

Rosa likes this idea. She wants to buy some things for their apartment too.

Rosa adds up all of the amounts on their budget list. They spend about \$1,040 every month. They have to have \$20 for the car insurance. They want to save about \$125. Together, these amounts come to about \$1,185.

Rosa subtracts \$1,185 from the amount of their paychecks. Together, they get paychecks for \$1,244.72 every month. Rosa and Bob think that they should have about \$60 left at the end of each month. But they may need this money. They may have to pay a doctor or pay for repairs on their car.

Rosa and Bob decide to write everything down when they spend money during the next four weeks. This will help them make a better budget. Then they will know if their budget is right. Maybe they will have to make a new budget.

CHAPTER 4



On Monday Bob goes to City Savings and Loan Association. First he gets some cash from their savings account. Then Bob gets a bank check for \$75.

Bob looks at the bank check. On the bank check it says "PAY TO THE ORDER OF ROSA RIVERA." Rosa will put this money in their new checking account when she opens it.

After work, Bob and Rosa go to the supermarket. When they get home, Bob gives Rosa some cash and the bank check for their checking account. They are glad that they had enough money in their savings account.

The next day Rosa calls some banks during her lunch hour. She looks in the Yellow Pages. She only calls the banks near her office. She wants to find out about the checking accounts in each bank. She writes down what each bank tells her.

All of the banks want people to show identification when they open a checking account. Rosa can use her driver's license for identification.

Some banks tell Rosa that their customers may be able to have a free checking account. These customers will have to keep a certain amount of money in the bank at all times. This money is called a minimum balance. Customers can't spend the minimum balance. If they spend the minimum balance, they have to pay some extra money to the bank.



Some customers can't keep a minimum balance. They have to pay the bank for their checking account. They have to pay a service charge to the bank. At some banks, customers only have to pay some money each month for their checking account. At other banks they only have to pay some money for each check that they write. At some banks, customers have to pay both of these service charges.

In one bank, Rosa and Bob must keep a minimum balance of \$300 to get a free checking account. If they can't, they must pay a service charge of \$1.50 a month. They must also pay 10¢ for each check that they write.

In another bank, Rosa and Bob must keep a minimum balance of \$100. But they can't keep a minimum balance of \$100. They must pay a \$1.00 service charge each month and a 10¢ service charge for each check that they write.

At Valley Bank, customers do not have to keep a minimum balance in their checking account. All of the customers have to pay 15¢ for each check that they write. There is no other service charge at Valley Bank.

Rosa also learns other things about banks. At some banks, customers need \$25 to open a checking account. Other banks want more money. Rosa will put in \$75 when she opens the Riveras' checking account.

Rosa also learns that she will have to pay for their checkbooks. The checks will have the Riveras' name and address on them. The bank will give a checking account number to the Riveras. This account number will be on each check. Rosa writes down all these things.

At dinner that night, Rosa tells Bob about the different banks. In most of the banks, customers have to keep a minimum balance of at least \$100 to get a free checking account. Rosa and Bob know that they can't keep \$100 in their account all of the time. Bob and Rosa think about the two kinds of service charges.

"How many checks will we write each month?" Rosa asks.

Bob thinks about their bills. He thinks that they will also pay for other things by check. "Maybe 12 checks," he tells Rosa.

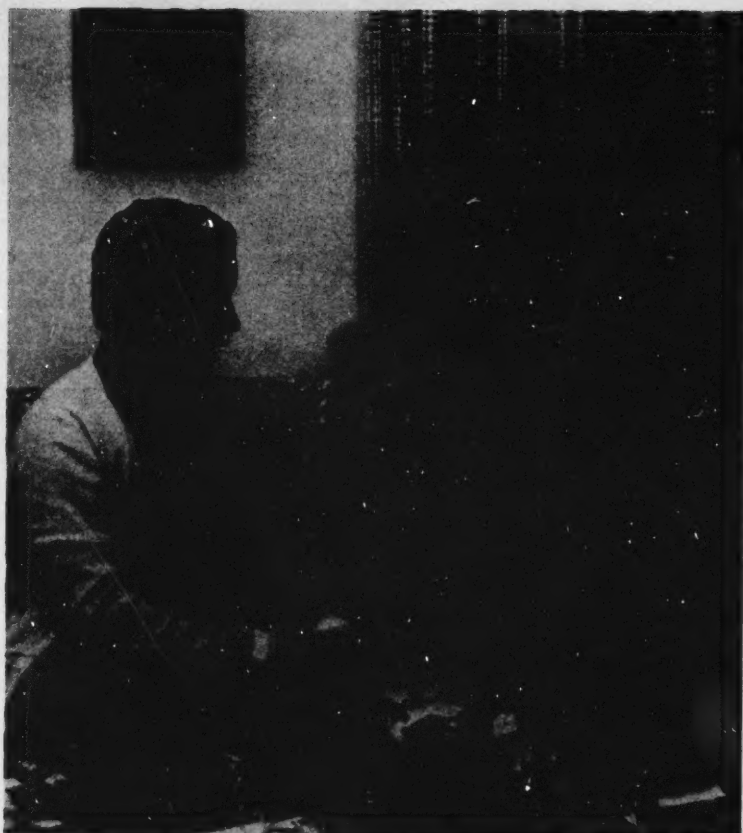
"Valley Bank doesn't ask for a minimum balance," Rosa says. "Let's see how much it would cost there each month."

Rosa writes down 15×12 and gets \$1.80.

"At Valley Bank we have to pay more for each check," Bob says. "But there is no other service charge. We don't have to pay \$1.00 or \$1.50 each month. It will cost us less money there. Let's use Valley Bank."

"OK," says Rosa.

Bob and Rosa feel good. Now they won't have to carry a lot of cash around. They can pay for most things by check.



Rosa and Bob decide that Rosa will put their paychecks in the checking account. Bob will sign his name on the back of his paycheck. Under his name he will write the words "For deposit only." No one can get cash for his paycheck when he writes these words on the back of the check.

Rosa will take their paychecks to the bank. There she will sign her name on the back of her paycheck. Then she can put her paycheck in their checking account too.



At lunchtime the next day, Rosa goes to Valley Bank. She wants to see a new accounts clerk. These clerks take care of new checking accounts. Other clerks at the bank help customers when they have trouble with their checking accounts.

Both new accounts clerks are busy, so Rosa sits down and waits. She sees many people in the bank.

"Lots of people have checking accounts," she thinks. "I hope that I can take good care of our checking account."

Soon it is Rosa's turn. Now she can talk to the clerk about a new checking account.



Rosa tells the clerk that she and Bob want to open a checking account. The clerk tells Rosa about joint checking accounts. Then the clerk takes out some papers. He asks Rosa if the Riveras have any other bank accounts. Rosa tells him that they have a savings account at City Savings and Loan Association. The clerk writes down the name and address of the savings and loan association.

Then the clerk asks Rosa some other questions about her and her husband. Rosa tells the clerk where they live and work.

The clerk gives Rosa two small cards. Rosa has to fill them out and sign her name. When she is finished, the clerk looks at them. Then he asks Rosa for some identification.

Rosa gives her driver's license to the clerk. The clerk looks at Rosa's signature on her driver's license. Then he looks at her signature on the two cards. They look the same. Now the bank will know Rosa's signature.

Then the clerk tells Rosa that Bob also has to sign these two cards. The bank needs Bob's Social Security number and his signature.



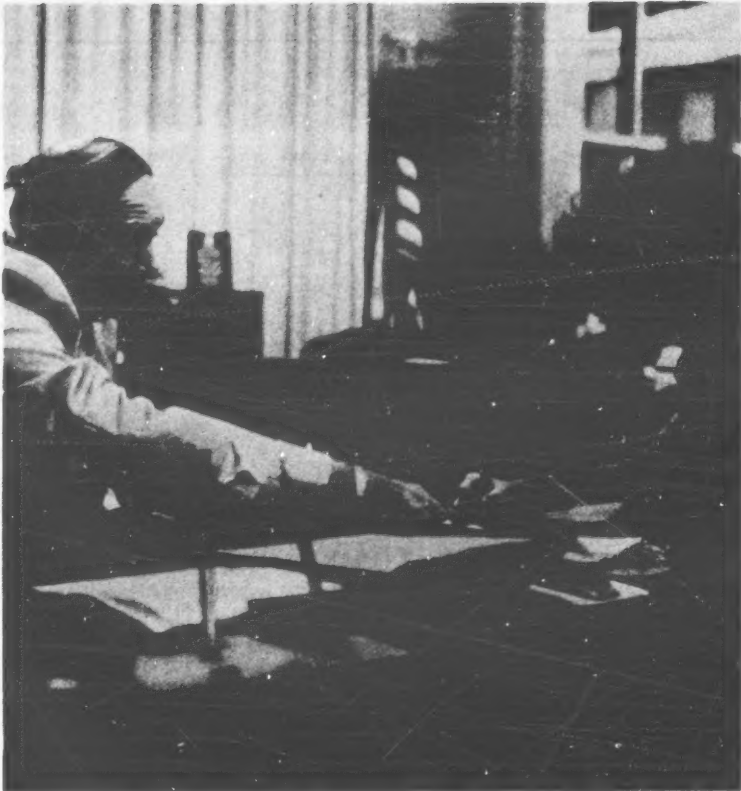
The bank has to have Bob's signature and Rosa's signature on their records. The bank wants to make sure that only Rosa and Bob Rivera sign the checks for their checking account. The bank wants to make sure that other people don't sign the Riveras' names on their checks. The bank doesn't want other people to take money out of the Riveras' checking account.

Bob and Rosa will have to be careful with their checkbook. If they lose their checkbook, they must call Valley Bank at once. They will also have to call the bank if someone steals their checkbook. They must give the bank their account number when they call the bank. Then the bank will not give out any money from their account. The bank may decide to give them a new account number.

If the Riveras lose one check, they have to call the bank at once. They have to give the bank their account number and the number of that check. Then they will not lose their money.

The Riveras might write a check to someone. If they lose that check, the Riveras will also have to call the bank and tell the bank all about that check. Then the bank will not give anyone cash for that check. But Rosa and Bob will have to pay the bank another service charge. This service charge is called a stop payment.

Now Rosa and Bob don't have to worry so much. The bank will take care of their money. But Bob and Rosa will have to take care of their checks.



Rosa gives the bank check for \$75 to the clerk. She wants to put this money in their new account. She signs the back of the bank check.

The clerk shows Rosa how to fill out a deposit slip. He writes \$75 on the deposit slip. He writes the date and "Bob and Rosa Rivera."

Then the clerk goes to one of the bank tellers. He gives the deposit slip and the bank check to the teller. He comes back and gives Rosa a receipt for the deposit slip. Rosa has to keep this paper. It shows that she put \$75 in their new checking account today.

Rosa tells the clerk that tomorrow she will bring back the bank cards with Bob's signature on them. She will also give the clerk Bob's Social Security number.

The clerk tells Rosa that it will take about a week to open their new checking account. The clerk also tells Rosa that the Riveras will get a paper from the bank at the end of the month. This paper is called a bank statement. It will tell how much money the Riveras put in their checking account during the month. It will also tell how much money they took out of the checking account.

Rosa and the clerk shake hands. Then Rosa goes back to work.



That night Rosa tells Bob about their new checking account. Bob fills out the cards from the bank and signs them. Rosa will take them back to the bank tomorrow.

Soon Bob and Rosa will be able to pay their bills by check. They can write a check for their food at the supermarket. They won't have to carry a lot of cash around with them. Every payday Rosa can go to the bank and put her paycheck in their joint checking account. Bob can also put his paychecks in their account. Rosa will not put in all of the money from her paycheck because they will need some cash during the week.

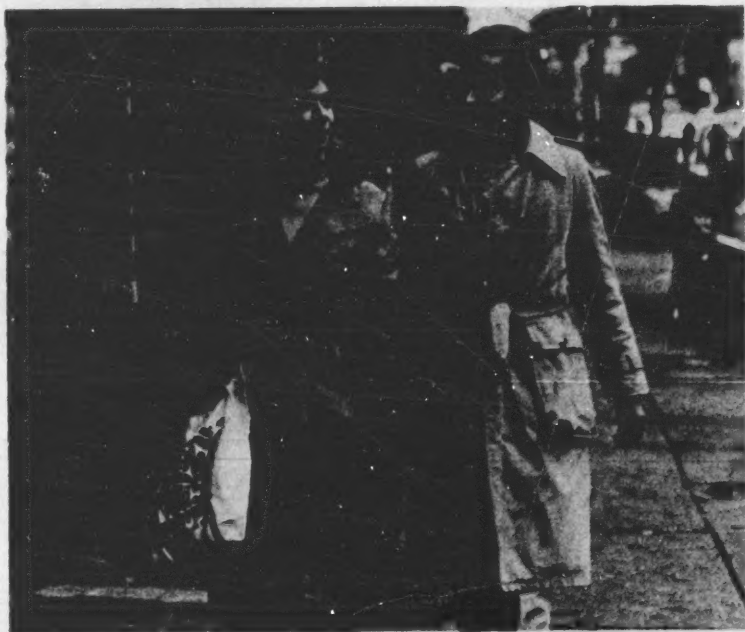


CHAPTER 5

For the next week, Rosa and Bob can't use their checking account. It isn't open yet.

The next Friday, Bob and Rosa leave their apartment for work. They are happy. Yesterday, the clerk from the bank called Rosa at her office. He told her that she can come to the bank today. She can pick up their checkbooks and deposit slips.

At lunchtime Rosa goes to Valley Bank. The clerk gives her the checkbook and deposit slips. The clerk also gives Rosa a check register. In the register, the Riveras will write down the amounts of all their deposits and all the checks that they write.



The clerk shows Rosa the checks and deposit slips. Each of them has the Riveras' name, address and account number on it. Each check also has its own number on it. The clerk tells Rosa that she and Bob should always sign their checks in the same way.

The clerk tells Rosa more about the checks and checking accounts. Rosa and Bob will pay people and companies by check. These people and companies can get money for these checks. The bank takes the money out of the Riveras' checking account.

Rosa puts the new checks, deposit slips and the check register into her pocketbook.

Rosa thanks the clerk and goes to the desk. At the desk, Rosa takes out one of her deposit slips. At Valley Bank, Rosa can put part of her paycheck in their checking account. At some banks she could not do this.

Rosa decides that she and Bob will need about \$55 for lunches, gas and other things during the week. Her paycheck is \$132.72. If she takes \$55 in cash, she can put \$77.72 in their checking account.

In the register Rosa writes that she put \$75 in the checking account last week. She also writes that she is putting \$77.72 into their checking account today.

Next, Rosa makes out the deposit slip. Next to "CHECKS" she writes "132.72." On the line next to "TOTAL" she writes "132.72" again. The next line says "LESS CASH RECEIVED." On this line Rosa writes "55." The next line says "NET DEPOSIT." On that line Rosa writes "77.72."

CHECKING ACCOUNT DEPOSIT TICKET			
NAME	<u>Bob and Rosa Rivera</u>		
ADDRESS	<u>150 Tenth St - 3B</u>		
CITY AND STATE	<u>San Francisco, U.S.A.</u>		
DATE	<u>March 7</u>	<u>1979</u>	
<u>Rosa Rivera</u>			
*SEE BANK FOR CASH RECEIVED IF REQUIRED			

CASH	CURRENCY	CHECKS	TOTAL FROM OTHER SIDE	TOTAL	LESS CASH RECEIVED	NET DEPOSIT
		132 72		132 72	55 00	77 72

22-T*
800 O

USE OTHER SIDE FOR
ADDITIONAL LISTING

BE SURE EACH ITEM IS
PROPERLY ENDORSED

VALLEY BANK
 3rd Avenue at 29th
 San Francisco, U.S.A.

ACCOUNT NO. 07-5534

⑆096000072⑆

CHECKS AND OTHER ITEMS ARE RECEIVED FOR DEPOSIT SUBJECT TO THE PROVISIONS OF THE UNIFORM COMMERCIAL CODE OR ANY APPLICABLE COLLECTION AGREEMENT

Then Rosa goes to a bank teller. She signs the back of her paycheck. Then the teller takes Rosa's paycheck and deposit slip. The teller looks at Rosa's signature. She writes on the deposit slip and keeps it for the bank. The bank will put \$77.72 in the Riveras' checking account. She gives Rosa a receipt for the deposit. Then she gives Rosa \$55 in cash.

Rosa puts the cash and the receipt for the deposit slip in her pocketbook. Then she leaves the bank.

On the way back to her office, Rosa stops at a leather store and buys a new wallet. The wallet costs \$7.50. Rosa pays for it by check. In her register she writes the date, the check number, the name of the store and the amount of the check.



That night Rosa shows Bob their new checkbook, the deposit slips and the check register. Bob sees that each check has a number on it. He looks at their account number on the checks and deposit slips.

Then Bob and Rosa look at the check register. They always have to write down their deposits in the register. They also have to write down the checks that they write. Each time, they have to write down the new balance.

"Look," says Rosa. "I already wrote everything in the register."

RECORD ALL CHARGES OR CREDITS THAT AFFECT YOUR ACCOUNT									
NUMBER	DATE	DESCRIPTION OF TRANSACTION	PAYMENT/DEBIT		✓ T	FEE (IF ANY)	DEPOSIT/CREDIT		BALANCE
	3/4	Bob's check - Savings & Loan					75	00	75 00
	3/4	Rosa - from paycheck					77	72	152 72
1	3/10	Leather House	7	50		15			145 22
									145 07

Under "DEPOSIT/CREDIT" it says that Rosa put \$75 in their checking account last week. Under "BALANCE" it says "75.00." On the next line it says today's date and "77.72" under "DEPOSIT/CREDIT." Rosa added \$75.00 and \$77.72. Under "BALANCE" it says "152.72."

On the next line, it says the name of the leather store, the date and \$7.50. Rosa subtracted \$7.50 from \$152.72 and got a new balance of \$145.22.

"Now we have \$145.22 in our checking account," Rosa tells Bob.

"You forgot to subtract 15¢ for the check to the leather store," Bob says.

Rosa smiles. She subtracts 15¢ from \$145.22. She writes "145.07" under "BALANCE." Now Rosa and Bob know how much money they have in their checking account.

"Wow!" Bob says. "We have a lot to remember!"

"We can do it," Rosa says.

Bob and Rosa talk some more about their checking account. Rosa will keep the checkbook and register in her pocketbook. She will always write in the check register when she makes a deposit or writes a check. She will have to remember to do all of these things.

Sometimes Bob will need to write a check. He will keep two checks in his wallet. He will have to be very careful with these checks. He must not lose them. When Bob writes a check, he will write a note to himself. He will write down the amount of the check and the date. He will write down what the check is for. When Bob gets home, he will write everything down again in the register.

CHAPTER 6



On Saturday Bob decides to pay some bills. He is glad that he doesn't have to go to the savings and loan association. He can write checks for the bills.

Bob gets out the bills and the checkbook. He writes a check for each bill. He writes the name of the company on the check. He writes the amount of money in numbers and in words. He writes the date and signs his name.

Bob fills out the register for each check. He subtracts the amount of each check and 15¢ from the balance. The last number under "BALANCE" is the new balance in their checking account.



Later that day Rosa and Bob go out shopping. They want to buy a present. Some friends are getting married.

Rosa is glad because she can write a check for the present. They have enough money in their checking account. They still can't spend a lot of money on the present. They will need the money in their checking account for other things, too.

Rosa and Bob go downtown to a gift store. There are many nice things in the store. They start to look for a small present.

Rosa and Bob look around the store for a long time. They find a pretty bowl. It doesn't cost too much money. Rosa asks the clerk if the store will take her check. The clerk says that they will. But Rosa will have to show her some identification.

Rosa fills out the check and the register. She signs the check. She gives the check and her driver's license to the clerk. The clerk looks at the signature on the check and the signature on the driver's license. They are the same.

Then the clerk writes down all the numbers from Rosa's driver's license on the back of the check. On the check she also writes down Rosa's home telephone number and her office telephone number.





The clerk gives Rosa the bowl and her driver's license. Then Rosa and Bob leave the store. They decide to take a walk before they go home.

"Why did the store need my driver's license?" Rosa asks Bob.

"The store needs some identification," Bob tells her. "The store wants to make sure that the check is yours."

"It was my check!" Rosa says.

"I know," Bob says. "But stores have to be careful. Some people write bad checks."

Bob tells Rosa about bad checks. A friend told him about bad checks. Some people don't have enough money in their checking accounts. But they write checks anyway. Their checks are no good. They will bounce. The bank will not give anyone money for bad checks. The bank will send the bad check back to the store.

"Why did the store ask for our telephone number and my office telephone number?" Rosa asks.

"If our check bounces, the store could call us about the bad check," Bob says. "The store wants to get its money. You would have to put more money in our checking account. Then the store can send our check back to the bank and get its money."

"I'll be very careful with our checking account," Rosa says. "I don't want any store to call us."

"We'll have to be careful," Bob says. "We can't write a check for more money than we have in our checking account. If we did, the check would bounce."

"Then what would we have to do?" Rosa asks.

"The bank would send us a letter," Bob says. "We would have to put more money in our checking account. We would also have to pay the bank some extra money."

"Why would we have to pay the bank extra money?" Rosa asks.

"My friend told me that banks don't want their customers to bounce checks," Bob tells her. "They have to do extra work when a check bounces. So they make the customers pay extra money when their checks bounce."

"Oh!" Rosa says. "I don't want to pay any extra money. We'll be careful. We won't bounce any checks."

Then Rosa remembers that the clerk in the store wrote down the numbers from her driver's license. Rosa asks Bob, "Why did the clerk write down the numbers from my driver's license?"

"Sometimes customers don't give the stores the right telephone numbers," Bob says. "If their check bounces, the store will want to find them. The state government has a list of all the names and addresses of all the drivers in the state. The government can help the store find the customer."

"We won't bounce any checks," Rosa says.

Bob and Rosa hope that they don't have any trouble with their checking account. They will be very careful with their checks.

CHAPTER 7



The clerk at the bank told Rosa that they will get a statement from the bank every month. The bank statement tells all about the checks and deposits for the month. With the statement, they will get all the checks that they wrote this month. These checks are called cancelled checks.

One Saturday morning Rosa sees a letter from the bank in their mail. She opens it up. It is their bank statement. Rosa gets out the checkbook.

Rosa calls Bob. She thinks that they should look at the statement right now. She wants to make sure that the statement is right.

Rosa and Bob sit down at the desk. They look at the statement and the cancelled checks. The cancelled checks are easy to understand. Bob and Rosa wrote these checks last month.

Bob reads the check register to Rosa. He also finds the first cancelled check. He tells Rosa the amount of this check. Rosa makes an X next to this amount on the statement. Bob makes an X next to this amount on the register. They do this for all the rest of the cancelled checks. Rosa adds all of the amounts from the checks.

This month they have cancelled checks for \$559.76.



The bank did not return the last check that the Riveras wrote. The check was for \$5. Rosa wrote it three days ago. It hasn't come to the bank yet. Rosa and Bob know that this \$5 check is not on this month's statement. They do not put an X next to it in their register. This check will be on next month's statement.

Then Rosa thinks about the service charge. They have eight cancelled checks with this month's statement. They had to pay 15¢ for each cancelled check. This month they had to pay \$1.20 for the service charge.

Another part of the statement says "DEPOSITS." Rosa gets out the receipts for their deposit slips. When she puts money in the checking account, the teller gives her a receipt for the deposit slip. These receipts show how much money the Riveras put in their checking account this month.

Bob reads the amount from each receipt. Rosa puts an X next to each deposit on the statement. Bob puts an X next to each deposit in the register. Then Rosa adds up all of the deposits. They put \$1022 in their checking account this month.

Rosa subtracts the total amount of the cancelled checks and the service charges from the total amount of the deposits.

Then Rosa looks at the top of the bank statement. She looks at her totals and the totals on the statement. They are the same.

Balance from Last Month	Checks	Service Charges	Deposit	Present Balance
\$.00	\$559.76	\$1.20	\$1022.00	\$461.04

Then Rosa and Bob look at their register. They look at the last check. It wasn't on the bank statement. Before Rosa wrote this check, the balance in the register was \$461.04. This balance is the same as the "PRESENT BALANCE" on the statement.

Bob and Rosa are glad that they took good care of their checking account this month. They did a good job.

Then Bob takes out their budget. He wants to see if they spent more money than their budget this month. Bob and Rosa look at their check to the telephone company. It was lower than the amount for telephone on the budget. They look at their checks to the supermarket and their budget for food. They are about the same.

Then they look at the other checks and their budget. They didn't spend too much money this month. They didn't have to go to the doctor. They didn't have to fix the car this month. They were able to save \$125. Now they can put this money in their savings account. They took good care of their money. They also took good care of their checking account. Their balance on the statement was right.

04-06-79
Date of this Statement

◆◆◆◆

22-22-22-22

★★★★

59

Bob looks at Rosa and smiles. "We did a good job," he says. "We did all the math right."

Bob and Rosa go and sit down on the couch. They are tired. It is hard work to take care of a checking account. But they feel very good. They are taking good care of their money. They are taking good care of their checking account.

Bob and Rosa also took good care of their budget this month. They didn't spend more money than the amounts on their budget. They even saved some money this month. They have learned a lot about money. They are very happy.



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